

Senate Bill 35

By: Senators Moody of the 56th, Carter of the 13th, Stephens of the 27th, Starr of the 44th, Hill of the 4th and others

AS PASSED

AN ACT

To amend Chapter 2 of Title 20 of the Official Code of Georgia Annotated, relating to elementary and secondary education, so as to change program weights for funding purposes; to provide for the revision of certain provisions regarding education flexibility; to provide for the development of rules and regulations by the State Board of Education for specified information, including budget and expenditure information and site average class size by grade, to be provided by local boards of education to school councils and the general public; to change certain provisions relating to expenditure controls for the 2005-2006 school year; to change certain provisions regarding program weights; to revise legislative intent relative to charter schools; to add and revise definitions; to provide for charter petitions from a group of two or more local schools or local school systems; to repeal Code Section 20-2-2063.1, relating to exemption of charter schools from statutory and regulatory requirements; to provide that a charter school shall not be subject to the provisions of Title 20 and other regulations; to change certain provisions relating to operating requirements, control, and management; to change certain provisions relating to admission, enrollment, and withdrawal of students; to change certain provisions relating to the term and length of a charter; to change the provisions relating to the annual required report on the progress of the school; to revise and clarify certain provisions relating to funding for charter schools; to change certain provisions relating to purposes for which facilities funds may be used and upkeep of charter school property; to change certain provisions relating to the annual report to the General Assembly; to amend Chapter 14 of Title 20 of the Official Code of Georgia Annotated, relating to the education coordinating council, so as to change certain provisions relating to the duties of the office of student achievement; to change certain provisions relating to indicators of quality of learning in individual schools; to change certain provisions relating to school report cards; to change certain provisions relating to appropriate levels of intervention for failing schools; to change certain provisions relating to the Education Information Steering Committee; to amend Code Section 40-5-22, relating to persons not to be issued a driver's license, school attendance requirements, and driving training requirements, so as to provide for an additional exception to the school attendance requirements to obtain a driver's license for a minor pursuing a general educational

development diploma; to change certain provisions relating to suspension of driver s licenses of minors; to provide for related matters; to provide an effective date; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

Chapter 2 of Title 20 of the Official Code of Georgia Annotated, relating to elementary and secondary education, is amended in Code Section 20-2-161, relating to the Quality Basic Education Formula, by striking subsection (b) in its entirety and inserting in lieu thereof the following:

(b) As the cost of instructional programs varies depending upon the teacher-student ratios and specific services typically required to address the special needs of students enrolled, state authorized instructional programs shall have the following program weights and teacher-student ratios:

- (1) Kindergarten program 1.6422
weight and
1 to 15
ratio

- (2) Kindergarten early intervention program 2.0248
weight and
1 to 11
ratio

- (3) Primary grades program (1-3) 1.2775
weight and
1 to 17
ratio

(4) Primary grades early intervention program (1-3)	1.7838
	weight and
	1 to 11
	ratio
(5) Upper elementary grades program (4-5)	1.0290
	weight and
	1 to 23
	ratio
(6) Upper elementary grades early intervention program (4-5)	1.7774
	weight and
	1 to 11
	ratio
(7) Middle grades program (6-8)	1.0134
	weight and
	1 to 23
	ratio
(8) Middle school program (6-8) as defined in Code Section 20-2-290 . . .	1.1164
	weight and
	1 to 20
	ratio
(9) High school general education program (9-12)	1.0000
	weight and
	1 to 23
	ratio
(10) Vocational laboratory program (9-12)	1.1914
	weight and
	1 to 20
	ratio

(11) Program for persons with disabilities:

Category I	2.3706
	weight and
	1 to 8
	ratio

(12) Program for persons with disabilities:

Category II	2.7773
	weight and
	1 to 6.5
	ratio

(13) Program for persons with disabilities:

Category III	3.5356
	weight and
	1 to 5
	ratio

(14) Program for persons with disabilities:

Category IV	5.7294
	weight and
	1 to 3
	ratio

(15) Program for persons with disabilities:

Category V	2.4421
	weight and
	1 to 8
	ratio

(16) Program for intellectually gifted students:

Category VI	1.6521
	weight and
	1 to 12
	ratio

(17) Remedial education program	1.3031
	weight and
	1 to 15
	ratio

(18) Alternative education program	1.5871
	weight and
	1 to 15
	ratio

(19) English for speakers of other languages (ESOL) program	2.4948
	weight and
	1 to 7
	ratio

SECTION 2.

Said chapter is further amended in Code Section 20-2-167, relating to funding for direct instructional, media center, and staff development costs, by adding a new subsection to the end of such Code section to read as follows:

(e) No later than October 1, 2005 the State Board of Education shall develop rules and regulations requiring that each local board of education provide information as specified by the state board and which is not specifically made confidential by law, including school site budget and expenditure information and site average class size by grade, to members of the school council and the general public.

SECTION 3.

Said chapter is further amended by striking Code Section 20-2-167.1, relating to the application of Code Section 20-2-167 for the 2003-2004 and 2004-2005 school year, and inserting in lieu thereof the following:

20-2-167.1.

(a) For the purposes of the 2003-2004, 2004-2005, and 2005-2006 school years only, the following changes to Code Section 20-2-167 shall apply:

(1) Except as otherwise provided in paragraph (2) of this subsection, for each program identified in Code Section 20-2-161, each local school system shall spend 100 percent of funds designated for direct instructional costs on the direct instructional costs of such program on one or more of the programs identified in Code Section 20-2-161 at the system level, with no requirement that the school system spend any specific portion of such funds at the site where such funds were earned;

(2) Direct instruction funds for the kindergarten early intervention program, the primary grades early intervention program, the upper elementary grades early intervention program, the remedial education program, and the alternative education program shall be expended on one or more of these programs at the system level, with no requirement that the school system spend any specific portion of such funds at the site where such funds were earned;

(3) Each local school system shall spend 100 percent of the funds designated for media center costs for such costs at the system level, and 100 percent of the funds designated for media materials at the system level;

(4) During the 2003-2004 school year, funds allocated for staff development may be spent for any program approved under the 'Quality Basic Education Act.' During the 2004-2005 and 2005-2006 school years, each school system shall spend 90 percent of funds allocated for professional development for such costs at the system level; and

(5) Each local school system shall report to the Department of Education its budgets and expenditures in accordance with this Code section with expenditures based in the preceding school year for each school site as a part of its report in October for the FTE count and on March 15.

(b) Except as otherwise provided by subsection (a) of this Code section, Code Section 20-2-167 shall apply during the 2003-2004, 2004-2005, and 2005-2006 school years.

(c) No penalty shall apply for failure to comply with expenditure controls set out in Code Section 20-2-167 that are contrary to this Code section, notwithstanding any law to the contrary, as long as the local school system complies with this Code section.

(d) Nothing in this Code section shall be construed to repeal any other provision of Code Section 20-2-167 or this chapter, or to apply to any time period other than the three fiscal years beginning July 1, 2003, and ending June 30, 2006.

(e) This Code section shall be automatically repealed July 1, 2006.

SECTION 4.

Said chapter is further amended by striking subsections (i) and (k) of Code Section 20-2-182, relating to program weights, and inserting in lieu thereof the following:

(i) The State Board of Education shall adopt for each instructional program authorized pursuant to Part 3 of this article and the middle school program provided for in Code Section 20-2-290 the maximum number of students which may be taught by a teacher in an instructional period. The State Board of Education shall provide for a system average maximum class size that shall not exceed the funding class size by more than 20 percent for mathematics, science, social studies, or language arts classes, unless specifically authorized by the State Board of Education. The system average maximum class size for kindergarten and grades one through three shall not exceed 20 percent over the funding ratio except for art, music, or physical education classes; provided, further, that the system average maximum class size for special education, gifted, and English for speakers of other languages classes shall be set by the State Board of Education. For each instructional program, the maximum number of students who may be taught by a teacher in an instructional period shall not exceed the system average maximum class size for the program by more than two students; provided, however, that a system average maximum class size which results in a fractional full-time equivalent shall be rounded up to the nearest whole number. For a period not to exceed seven years, beginning with the 2000-2001 school year, local school systems shall be allowed to exceed the maximum class sizes set forth in this subsection in a manner consistent with State Board of Education rules and subsection (k) of this Code section. The State Board of Education shall lower the current maximum class sizes set by state board rules in effect for the 1999-2000 school year, beginning with the 2000-2001 school year, by an amount so that, beginning with the 2007-2008 school year, State Board of Education rules are in compliance with this subsection. An aide may be used in programs to increase class size as allowed by State Board of Education rule and subsection (k) of this Code section, except that beginning with the 2007-2008 school year, an aide shall not be used to increase the maximum class size in kindergarten or grades one through three. The maximum class size for the kindergarten and primary grades programs is defined as the number of students in a physical classroom.

Maximum class sizes that result in a fractional full-time equivalent shall be rounded up to the nearest whole number as needed. The middle school program shall use the teacher-student ratio of the middle grades program for the purpose of this subsection. The number of students taught by a teacher at any time after the first 15 school days of a school year may not exceed the maximum such number unless authorization for a specific larger number is requested of the state board, along with the educational justification for granting the requested exemption, and the state board has approved said request. The state board shall not reduce class sizes without the authorization of the General Assembly if this reduction necessitates added costs for facilities, personnel, and other program needs. Local boards of education may reduce class sizes, build additional facilities, and provide other resources at local cost if such actions are in the best interest of the local school systems programs as determined by the local boards of education.

(k) For the 2003-2004, 2004-2005, 2005-2006, and 2006-2007 school years, the maximum class sizes set by the State Board of Education for the 2002-2003 school year shall apply for grades four through 12. For the 2003-2004, 2004-2005, 2005-2006, and 2006-2007 school years, the maximum class sizes set by the State Board of Education for the 2003-2004 school year shall apply to kindergarten and grades one through three, except that a kindergarten class may be increased to 20 students if a paraprofessional is present in addition to the certificated teacher. Except as otherwise provided in this subsection, other provisions of this Code section shall apply. This subsection shall not be construed to repeal any other provision of this Code section or this chapter, or to apply to any period of time other than the four fiscal years beginning July 1, 2003, and ending June 30, 2007. This subsection shall be automatically repealed July 1, 2007.

SECTION 5.

Said chapter is further amended by striking Code Section 20-2-320, relating to the Education Information Steering Committee, identification of data to implement Quality Basic Education Program; State Data and Resource Center, and the state-wide comprehensive educational information network, and inserting in lieu thereof the following:

20-2-320.

(a) The Governor shall appoint a steering committee, which shall be named the Education Information Steering Committee, composed of representatives from the Department of Education, the Department of Technical and Adult Education, the Board of Regents of the University System of Georgia, the office of the Governor, the Office of Planning and Budget, the Department of Audits and Accounts, the Georgia Technology Authority, the

Department of Early Care and Learning, the Professional Standards Commission, the Office of Student Achievement, the Georgia Public Telecommunications Commission, the Legislative Budget Office, and local school systems. The steering committee shall identify the data required to implement the Quality Basic Education Program on a fiscally sound basis and the data required to evaluate the effectiveness of the components of public education in Georgia. The steering committee shall identify data that shall be required from local units of administration for the implementation of this article. Further, the steering committee shall develop a design for a state-wide comprehensive educational information system which will provide for the accurate, seamless, and timely flow of information from local and regional education agencies, units of the University System of Georgia, and technical schools and colleges to the state. The design shall include hardware, software, data, collection methods and times, training, maintenance, communications, security of data, and installation specifications and any other relevant specifications needed for the successful implementation of this system. The state-wide comprehensive educational information system shall not use a student's social security number or an employee's social security number in violation of state or federal law to identify a student or employee. The steering committee shall present such recommendations to the Education Coordinating Council. Upon approval of the boards of the respective education agencies, such boards shall issue appropriate requests for proposals to implement a state-wide comprehensive educational information system, subject to appropriation by the General Assembly. The boards of the respective education agencies, at the direction of the Education Coordinating Council and working through the steering committee, shall initiate contracts with appropriate vendors and local units of administration for the procurement of services, purchase of hardware and software, and for any other purpose as directed by the Education Coordinating Council, consistent with appropriation by the General Assembly.

(b) The State Board of Education, the Board of Technical and Adult Education, the Board of Regents of the University System of Georgia, and the Department of Early Care and Learning shall require an individual student record for each student enrolled which at a minimum includes the data specifications recommended by the steering committee and approved by the Education Coordinating Council. The Professional Standards Commission shall maintain an individual data record for each certificated person employed in a public school.

(c) For the purpose of this article, authorized educational agencies shall be the Department of Education; the Department of Early Care and Learning; the Board of Regents of the University System of Georgia; the Department of Technical and Adult Education; the

Education Coordinating Council; the Professional Standards Commission; the Office of Student Achievement; the education policy and research components of the office of the Governor; the Office of Planning and Budget; the Legislative Budget Office; the House Research Office; and the Senate Research Office. Any information collected over the state-wide comprehensive educational information system, including individual student records and individual personnel records, shall be accessible by authorized educational agencies, provided that any information which is planned for collection over the system but which is temporarily being collected by other means shall also be accessible by authorized educational agencies and provided, further, that adequate security provisions are employed to protect the privacy of individuals. All data maintained for this system shall be used for educational purposes only. In no case shall information be released by an authorized educational agency which would violate the privacy rights of any individual student or employee. Information released by an authorized educational agency in violation of the privacy rights of any individual student or employee shall subject the authorized educational agency to all penalties under applicable state and federal law. Any information collected over the state-wide comprehensive educational information system which is not stored in an individual student or personnel record format shall be made available to the Governor and the House and Senate Appropriations, Education, and Higher Education committees, except information otherwise prohibited by statute. Data which are included in an individual student record or individual personnel record format shall be extracted from such records and made available in nonindividual record format for use by the Governor, committees of the General Assembly, and agencies other than authorized educational agencies.

(d) The Department of Education shall request sufficient funds annually for the operation, training of appropriate personnel, and maintenance and enhancements of the system.

(e) In a phased approach, the state-wide comprehensive educational information system shall be fully completed subject to appropriation by the General Assembly for this purpose. During the phased implementation of the system, highest priority shall be given to the electronic transmission of complete full-time equivalent counts, the uniform budgeting and accounting system, and complete salary data for each local school system. All pre-kindergarten programs, local units of administration for grades kindergarten through 12, technical schools and colleges, public libraries, public colleges and universities, and regional educational service agencies shall provide data as required by their respective boards and agencies. Notwithstanding any provision of this Code section to the contrary, no local school system shall earn funds under Code Section 20-2-186 for superintendents,

assistant superintendents, or principals if the local unit of administration fails to comply with the provisions of this Code section.

(f) Notwithstanding any other provision of law, the Department of Education is authorized to and shall obtain and provide to the Department of Public Safety, in a form to be agreed upon between the Department of Education and the Department of Public Safety, enrollment, attendance, and suspension information regarding minors 15 through 17 years of age reported pursuant to Code Sections 20-2-690 and 20-2-697, to be used solely for the purposes set forth in subsection (a.1) of Code Section 40-5-22.

SECTION 6.

Said chapter is further amended by striking Code Section 20-2-2061, relating to legislative intent, and inserting in lieu thereof the following:

20-2-2061.

It is the intent of the General Assembly to increase student achievement through academic and organizational innovation by encouraging local school systems to utilize the flexibility of a performance based contract called a charter.

SECTION 7.

Said chapter is further amended in Code Section 20-2-2062, relating to definitions, by inserting new paragraphs (1.1) and (5.1) to read as follows:

(1.1) 'Charter attendance zone' means all or any portion of the local school system in which the charter school is located and may include all or any portion of other local school systems if the charter school is jointly authorized pursuant to subsection (c) of Code Section 20-2-2063.

(5.1) 'High school cluster' means a high school and all of the middle and elementary schools which contain students who matriculate to such high school. The schools in a high school cluster may include charter schools, local schools, or a combination of both.

SECTION 8.

Said chapter is further amended in Code Section 20-2-2062, relating to definitions, by striking paragraphs (8), (9), and (10) and inserting in lieu thereof the following:

(8) 'Local revenue' means local taxes budgeted for school purposes in excess of the local five mill share, combined with any applicable equalization grant and budgeted revenues from any of the following: investment earnings, unrestricted donations, and the sale of surplus property; but exclusive of revenue from bonds issued for capital projects,

revenue to pay debt service on such bonds, local option sales tax for capital projects, and budgeted school food service program costs. Nothing in this paragraph shall be construed to prevent a local board from including a local charter school in projects specified in the ballot language of a local option sales tax or bond referendum.

(9) 'Local school' means a public school in Georgia that is under the management and control of a local board.

(10) 'Local school system' means the system of public schools established and maintained by a local board within its limits pursuant to Article VIII, Section V, Paragraph I of the Constitution.

SECTION 9.

Said chapter is further amended by striking Code Section 20-2-2063, relating to minimum requirements for charter petitions, and inserting in lieu thereof the following:

20-2-2063.

(a) The State Board of Education shall promulgate rules, regulations, policies, and procedures to govern the contents of a charter petition

(b) The State Board of Education shall establish rules, regulations, policies, and procedures to provide for the receipt of charter petitions from a group of two or more local schools as a single charter petitioner to convert to conversion charter school status. An existing conversion charter school may join as part of a group charter petition, and if such group charter petition is approved, the new charter shall supersede the conversion charter school's previous charter. A group charter petition may be comprised of all the schools in a high school cluster as such term is defined in Code Section 20-2-2062.

(c) The State Board of Education shall establish rules, regulations, policies, and procedures to provide for charter petitions from two or more local school systems to jointly authorize a local charter school.

SECTION 10.

Said chapter is further amended by repealing in its entirety Code Section 20-2-2063.1, relating to exemption of charter schools from statutory and regulatory requirements.

SECTION 11.

Said chapter is further amended by striking Code Section 20-2-2064.1, relating to review of charter by state board and charters for state chartered special schools, and inserting in lieu thereof the following:

20-2-2064.1.

(a) The state board shall approve the charter of a charter petitioner if the petition has been approved by the local board of the local school system in which the proposed charter school will be located and the state board finds that the petition complies with the rules, regulations, policies, and procedures promulgated in accordance with Code Section 20-2-2063 and the provisions of this title and is in the public interest. If the state board denies a petition, it must within 60 days specifically state the reasons for the denial, list all deficiencies with regard to Code Section 20-2-2063, and provide a written statement of the denial to the charter petitioner and to the local board.

(b) No application for a state chartered special school may be made to the state board by a petitioner for a conversion charter school that has been denied by a local board. Upon denial of a petition for a start-up charter school by a local board and upon application to the state board by the petitioner, the state board shall approve the charter of a start-up charter petitioner for a state chartered special school if the state board finds that such petition meets the requirements set forth in Code Section 20-2-2063 and the provisions of this title, and is in the public interest.

SECTION 12.

Said chapter is further amended by striking Code Section 20-2-2065, relating to operating requirements, control, and management, and inserting in lieu thereof the following:

20-2-2065.

(a) Except as provided in this article or in a charter, a charter school shall not be subject to the provisions of this title or any state or local rule, regulation, policy, or procedure relating to schools within an applicable school system regardless of whether such rule, regulation, policy, or procedure is established by the local board, the state board, or the Department of Education; provided, however, that the state board may establish rules, regulations, policies, or procedures consistent with this article relating to charter schools. In exchange for such a waiver, the charter school agrees to meet or exceed the performance based goals included in the charter and approved by the local board, including but not limited to raising student achievement.

(b) In determining whether to approve a charter petition or renew an existing charter, the local board and state board shall ensure that a charter school shall be:

(1) A public, nonsectarian, nonreligious, nonprofit school that is not home based, provided that a charter school's nonprofit status shall not prevent the school from contracting for the services of a for profit entity;

- (2) Subject to the control and management of the local board of the local school system in which the charter school is located, as provided in the charter and in a manner consistent with the Constitution, if a local charter school;
- (3) Subject to the supervision of the state board, as provided in the charter and in a manner consistent with the Constitution, if a state chartered special school;
- (4) Organized and operated as a nonprofit corporation under the laws of this state; provided, however, that this paragraph shall not apply to any charter petitioner who is a local school, or state or local public entity;
- (5) Subject to all federal, state, and local rules, regulations, court orders, and statutes relating to civil rights; insurance; the protection of the physical health and safety of school students, employees, and visitors; conflicting interest transactions; and the prevention of unlawful conduct;
- (6) Subject to all laws relating to unlawful conduct in or near a public school;
- (7) Subject to an annual financial audit conducted by the state auditor, or if specified in the charter, by an independent certified public accountant licensed in this state;
- (8) Subject to the provisions of Part 3 of Article 2 of Chapter 14 of this title, and such provisions shall apply with respect to charter schools whose charters are granted or renewed on or after July 1, 2000;
- (9) Subject to all reporting requirements of Code Section 20-2-160, subsection (e) of Code Section 20-2-161, Code Section 20-2-320, and Code Section 20-2-740;
- (10) Subject to the requirement that it shall not charge tuition or fees to its students except as may be authorized for local boards by Code Section 20-2-133; and
- (11) Subject to the provisions of Code Section 20-2-1050 requiring a brief period of quiet reflection.

SECTION 13.

Said chapter is further amended in Code Section 20-2-2066, relating to admission, enrollment, and withdrawal of students, by striking paragraph (1) of subsection (a) and inserting in lieu thereof a new paragraph (1) of subsection (a) to read as follows:

(1)(A) A start-up charter school shall enroll any student who resides in the charter attendance zone as specified in the charter and who submits a timely application as specified in the charter unless the number of applications exceeds the capacity of a program, class, grade level, or building. In such case, all such applicants shall have an equal chance of being admitted through a random selection process unless otherwise prohibited by law; provided, however, that a start-up charter school may give

enrollment preference to applicants in any one or more of the following categories in the order of priority specified in the charter:

- (i) A sibling of a student enrolled in the start-up charter school;
- (ii) A sibling of a student enrolled in another local school designated in the charter;
- (iii) A student whose parent or guardian is a member of the governing board of the charter school or is a full-time teacher, professional, or other employee at the charter school; and
- (iv) Students matriculating from a local school designated in the charter;

(B) A conversion charter school shall enroll any student who resides in the attendance zone specified in the charter and who submits a timely application as specified in the charter. If the number of applying students who reside in the attendance zone does not exceed the capacity as specified in the charter, additional students shall be enrolled based on a random selection process; provided however, that enrollment preferences may be given to applicants in any one or more of the following categories in the order of priority specified in the charter:

- (i) A sibling of a student enrolled in the charter school or in any school in the high school cluster;
- (ii) Students whose parent or guardian is a member of the governing board of the charter school or is a full-time teacher, professional, or other employee at the charter school;
- (iii) Students who were enrolled in the local school prior to its becoming a charter school; and
- (iv) Students who reside in the charter attendance zone specified in the charter; and

SECTION 14.

Said chapter is further amended by striking Code Section 20-2-2067.1, relating to amendment of terms of charter for charter school, initial term of charter, and annual report, and inserting in lieu thereof the following:

20-2-2067.1.

- (a) The terms of a charter for a local charter school may be amended during the term of the charter upon the approval of the local board, the state board, and the charter school. The terms of a charter for a state chartered special school may be amended during the term of the charter upon the approval of the state board and the charter school.
- (b) The initial term of a charter shall be for a minimum of five years, unless the petitioner shall request a shorter period of time, and shall not exceed ten years. The local board and

the state board, in accordance with Code Section 20-2-2064.1. may renew a local charter, upon the request of the charter school, for the period of time specified in the request, not to exceed ten years. The state board may renew a state chartered special school, upon the request of the school, for the period of time specified in the request, not to exceed ten years.

(c) A charter school shall submit an annual report outlining the previous year's progress to the authorizing local board or state board, as appropriate, to parents and guardians of students enrolled in the school, and to the Department of Education no later than October 1 of each year. The report shall contain, but is not limited to:

- (1) An indication of progress towards the goals as included in the charter;
- (2) Academic data for the previous year, including state academic accountability data, such as standardized test scores and adequate yearly progress data;
- (3) Unaudited financial statements for the fiscal year ending on June 30, provided that audited statements will be forwarded to the local board and state board upon completion;
- (4) Updated contact information for the school and the administrator;
- (5) Proof of current nonprofit status, if applicable; and
- (6) Any other supplemental information that the charter school chooses to include or that the state board requests that demonstrates its success.

SECTION 15.

Said chapter is further amended by striking subsections (a) through (e) of Code Section 20-2-2068.1, relating to application of the Quality Basic Education Formula, grants, local tax revenue, and funds from local bonds, and inserting in lieu thereof the following:

(a) A local charter school shall be included in the allotment of QBE formula earnings, applicable QBE grants, applicable nonQBE state grants, and applicable federal grants to the local school system in which the local charter school is located under Article 6 of this chapter. The local board and the state board shall treat a conversion charter school no less favorably than other local schools located within the applicable local school system unless otherwise provided by law. The local board and the state board shall treat a start-up charter school no less favorably than other local schools within the applicable local system with respect to the provision of funds for instruction and school administration and, where feasible, transportation, food services, and building programs.

(b) QBE formula earnings, applicable QBE grants, applicable nonQBE state grants, and applicable federal grants earned by a local charter school shall be distributed to the local charter school by the local board; provided, however, that state equalization grant earnings

shall be distributed as provided in subsection (c) of this Code section. QBE formula earnings shall include the salary portion of direct instructional costs, the adjustment for training and experience, the nonsalary portion of direct instructional costs, and earnings for psychologists and school social workers, school administration, facility maintenance and operation, media centers, additional days of instruction in accordance with Code Section 20-2-184.1, and staff development. The local charter school shall report enrolled students in a manner consistent with Code Section 20-2-160.

(c) In addition to the earnings set out in subsection (b) of this Code section, local revenue shall be allocated to a local charter school on the same basis as for any local school in the local school system. In the case of a start-up charter school, local revenue earnings shall be calculated as follows:

- (1) Determine the total amount of state and local five mill share funds earned by students enrolled in the local start-up charter school as calculated by the Quality Basic Education Formula pursuant to Part 4 of Article 6 of this chapter including any funds for psychologists and school social workers but excluding any system-wide funds for central administration and pupil transportation and excluding any categorical grants not applicable to the charter school;
- (2) Determine the total amount of state and local five mill share funds earned by all students in the public schools of the local school system, including any charter schools that receive local revenue, as calculated by the Quality Basic Education Formula but excluding categorical grants and other nonQBE formula grants;
- (3) Divide the amount obtained in paragraph (1) of this subsection by the amount obtained in paragraph (2) of this subsection; and
- (4) Multiply the quotient obtained in paragraph (3) of this subsection by the school system's local revenue.

The product obtained in paragraph (4) of this subsection shall be the amount of local funds to be distributed to the local start-up charter school by the local board; provided, however, that nothing in this subsection shall preclude a charter petitioner and a local board of education from specifying in the charter a greater amount of local funds to be provided by the local board to the local start-up charter school if agreed upon by all parties to the charter. Local funds so earned shall be distributed to the local start-up charter school by the local board. Where feasible and where services are provided, funds for transportation, food service programs, and construction projects shall also be distributed to the local start-up charter school as earned. In all other fiscal matters, including applicable federal allotments, the local board shall treat the local start-up charter school no less favorably

than other local schools located within the applicable school system and shall calculate and distribute the funding for the start-up charter school on the basis of its actual or projected enrollment in the current school year according to an enrollment counting procedure or projection method stipulated in the terms of the charter.

(c.1) The adjustments in each program for training and experience used in calculating the start-up charter school's QBE formula earnings shall be calculated in the same manner as for any local school within the local school system; provided, however, that the adjustments in each program for training and experience used in calculating the start-up charter school's QBE formula earnings shall not be less than one-half of the comparable percentages for the local school system in which the charter school is located.

(d) QBE formula earnings, applicable QBE grants, applicable nonQBE state grants, and applicable federal grants that are earned by a state chartered special school shall be distributed to the local board of the local school system in which the state chartered special school is located which shall distribute the same amount to the state chartered special school; provided, however, that a state chartered special school shall not be included in the calculation and distribution of the local school system's equalization grant unless the voters of the local school system have approved the use of revenue from local tax levies and funds from local bonded indebtedness to support the state chartered special school in accordance with subsection (e) of this Code section. If such approval has been given, state equalization grant earnings shall be earned for the state chartered special school and shall be distributed as provided in subsection (f) of this Code section. The local board shall not be responsible for the fiscal management, accounting, or oversight of the state chartered special school. The state chartered special school shall report enrolled students in a manner consistent with Code Section 20-2-160. Any data required to be reported by the state chartered special school shall be submitted directly by the school to the appropriate state agency. Where feasible, the state board shall treat a state chartered special school no less favorably than other public schools within the state with respect to the provision of funds for transportation and building programs.

(e) The state board may require a local referendum of the qualified voters in the local school system in which the state chartered special school will be located. Such referendum shall be held at the next regularly scheduled general election or as may otherwise be authorized at an earlier date by the local board or boards of education affected. Such referendum shall be held for the purpose of deciding whether the local board of education shall provide funds from school tax levies to support such state chartered special school

or incur bonded indebtedness to support such state chartered special school or both. The ballot question shall be approved by the state board.

SECTION 16.

Said chapter is further amended in Code Section 20-2-2068.2, relating to facilities fund for charter schools, purposes for which funds may be used, upkeep of charter school property, and receipt of surplus from board of education, by striking subsections (c) and (e) and inserting in lieu thereof new subsections (c) and (e) to read as follows:

(c) A charter school s governing body may use moneys from the facilities fund for the following purposes:

- (1) Purchase of real property;
- (2) Construction of school facilities, including initial and additional equipment and furnishings;
- (3) Purchase, lease-purchase, or lease of permanent or relocatable school facilities;
- (4) Purchase of vehicles to transport students to and from the charter school; and
- (5) Renovation, repair, and maintenance of school facilities that the charter school owns or is purchasing through a lease-purchase or long-term lease of five years or longer.

(e) Local boards are required to renovate, repair, and maintain the school facilities of charter schools in the district to the same extent as other public schools in the district if the local board owns the charter school facility, unless otherwise agreed upon by the petitioner and the local board in the charter.

SECTION 17.

Said chapter is further amended by striking Code Section 20-2-2070, relating to annual report to the general assembly, and inserting in lieu thereof the following:

20-2-2070.

The state board shall report to the General Assembly no later than December 31 of each year on the status of the charter school program.

SECTION 18.

Chapter 14 of Title 20 of the Official Code of Georgia Annotated, relating to the education coordinating council, is amended by striking subsection (a) of Code Section 20-14-26, relating to duties of the office of student achievement, and inserting in lieu thereof the following:

(a) The office shall have the following duties:

- (1) To create a single state-wide accountability system, establish indicators of performance, rate schools and school systems, develop annual report cards for elementary, middle, and secondary schools, and formulate a system of school awards and interventions. The State Board of Education shall approve a single accountability system for local schools and school systems that incorporates federal law, rules, and regulations relating to accountability;
- (2) To audit and inspect or cause to be audited or inspected for the purpose of verification, research, analysis, reporting, or for other purposes related to the performance of its powers and duties as provided in this article and for the purposes of auditing pre-kindergarten, elementary, middle grades, and secondary education, postsecondary education, and education work force programs and schools, local school systems, institutes, colleges, universities, regional educational service agencies, and other public education programs and entities as defined by the council;
- (3) To serve as staff to the council; and
- (4) To exercise the powers and discharge duties of the council, as set forth in Code Section 20-14-8, under the supervision and oversight of the council.

SECTION 19.

Said chapter is further amended by striking subsections (a), (d), and (h) of Code Section 20-14-33, relating to indicators of quality of learning in individual schools, and inserting in their respective places the following:

- (a) The office shall adopt and biennially review, and revise as necessary, indicators of the quality of learning by students in an individual school and school system.
- (d) The office shall establish individual school and school system ratings for each public school and school system in this state for annual academic performance on the assessment instruments required under Code Section 20-2-281.
- (h) The office shall annually review the performance of each school and school system on the indicators in subsection (b) of this Code section and determine whether a change in the school or school system rating status of the school or school system is warranted.

SECTION 20.

Said chapter is further amended by striking subsections (b) and (d) of Code Section 20-14-34, relating to school report cards, and inserting in their respective places the following:

- (b) The report card shall include the following information, where applicable:

(1) The individual school and school system ratings as provided for in subsection (d) of Code Section 20-14-33;

(2) The academic excellence indicators in subsection (b) of Code Section 20-14-33;

(3) Teacher-student ratios; and

(4) Administrative and instructional costs per student and other financial accounting information as may be required.

(d) The State Board of Education shall adopt rules requiring dissemination of appropriate student performance and school completion performance portions of school report cards annually to the parent, guardian, conservator, or other person having lawful control of each student at the school. On written request, the local school system shall provide a copy of a school report card to any other party. These reports shall be posted on the Office of Student Achievement website, the Department of Education website, and the existing website of such local school system.

SECTION 21.

Said chapter is further amended by striking subparagraph (D) of paragraph (6) of subsection (a) of Code Section 20-14-41, relating to appropriate levels of intervention for failing schools, and inserting in lieu thereof the following:

(D) Mandate that the parents have the option to relocate the student to other public schools in the local school system to be chosen by the parents of the student from a list of available options provided by the local school system. The local school system shall provide transportation for students in Title I schools in accordance with the requirements of federal law. The local school system may provide transportation for students in non-Title I schools. In any year in which the General Assembly does not appropriate funds for the provision of transportation to non-Title I students, the parent or guardian shall assume responsibility for the transportation of that student;

SECTION 22.

Code Section 40-5-22 of the Official Code of Georgia Annotated, relating to persons not to be issued a driver's license, school attendance requirements, and driving training requirements, is amended by striking subsection (a.1) and inserting in lieu thereof the following:

(a.1)(1) The department shall not issue an instruction permit or driver's license to a person who is younger than 18 years of age unless at the time such minor submits an application for an instruction permit or driver's license the applicant presents acceptable

proof that he or she has received a high school diploma, a general educational development (GED) diploma, a special diploma, or a certificate of high school completion, or has terminated his or her secondary education and is enrolled in a postsecondary school, is pursuing a general educational development (GED) diploma, or the records of the department indicate that said applicant:

- (A) Is enrolled in and not under expulsion from a public or private school and has satisfied relevant attendance requirements as set forth in paragraph (2) of this subsection for a period of one academic year prior to application for an instruction permit or driver s license; or
- (B) Is enrolled in a home education program that satisfies the reporting requirements of all state laws governing such program.

The department shall notify such minor of his or her ineligibility for an instruction permit or driver s license at the time of such application.

(2) The department shall forthwith notify by certified mail or statutory overnight delivery, return receipt requested, any minor issued an instruction permit or driver s license in accordance with this subsection other than a minor who has terminated his or her secondary education and is enrolled in a postsecondary school or who is pursuing a general education development (GED) diploma that such minor s instruction permit or driver s license is suspended subject to review as provided for in this subsection if the department receives notice pursuant to Code Section 20-2-701 that indicates that such minor:

- (A) Has dropped out of school without graduating and has remained out of school for ten consecutive school days;
- (B) Has ten or more school days of unexcused absences in the current academic year or ten or more school days of unexcused absences in the previous academic year; or
- (C) Has been found in violation by a hearing officer, panel, or tribunal of one of the following offenses, has received a change in placement for committing one of the following offenses, or has waived his or her right to a hearing and pleaded guilty to one of the following offenses:
 - (i) Threatening, striking, or causing bodily harm to a teacher or other school personnel;
 - (ii) Possession or sale of drugs or alcohol on school property or at a school sponsored event;
 - (iii) Possession or use of a weapon on school property or at a school sponsored event.

For purposes of this subparagraph, the term 'weapon' shall be defined in accordance

with Code Section 16-11-127.1 but shall not include any part of an archeological or cultural exhibit brought to school in connection with a school project;

(iv) Any sexual offense prohibited under Chapter 6 of Title 16; or

(v) Causing substantial physical or visible bodily harm to or seriously disfiguring another person, including another student.

Notice given by certified mail or statutory overnight delivery with return receipt requested mailed to the person's last known address shall be prima-facie evidence that such person received the required notice. Such notice shall include instructions to the minor to return immediately the instruction permit or driver's license to the department and information summarizing the minor's right to request an exemption from the provisions of this subsection. The minor so notified may request in writing a hearing within ten business days from the date of receipt of notice. Within 30 days after receiving a written request for a hearing, the department shall hold a hearing as provided for in Chapter 13 of Title 50, the 'Georgia Administrative Procedure Act.' After such hearing, the department shall sustain its order of suspension or rescind such order. The department shall be authorized to grant an exemption from the provisions of this subsection to a minor, upon such minor's petition, if there is clear and convincing evidence that the enforcement of the provisions of this subsection upon such minor would create an undue hardship upon the minor or the minor's family or if there is clear and convincing evidence that the enforcement of the provisions of this subsection would act as a detriment to the health or welfare of the minor. Appeal from such hearing shall be in accordance with said chapter. If no hearing is requested within the ten business days specified above, the right to a hearing shall have been waived and the instruction permit or driver's license of the minor shall remain suspended. The suspension provided for in this paragraph shall be for a period of one year or shall end upon the date of such minor's eighteenth birthday or upon receipt of satisfactory proof that the minor is pursuing or has received a general educational development (GED) diploma, whichever comes first.

(3) The State Board of Education and the commissioner of motor vehicle safety are authorized to promulgate rules and regulations to implement the provisions of this subsection.

(4) The Department of Technical and Adult Education shall be responsible for compliance and noncompliance data for students pursuing a general education development (GED) diploma.

SECTION 23.

This Act shall become effective on July 1, 2005.

SECTION 24.

All laws and parts of laws in conflict with this Act are repealed.